CIA HISTORICAL REVIEW PROGRAM RELEASE IN FULL

chrows file

19 April 1954

MEMORANDUM FOR: Chief, Inspection and Review Staff

SUBJECT

Request for Estimate of Communist Threat in

Honduras and El Salvador

1. Mr. J. H. A. Watson in his letter to you dated 26 March 1954. asked whether the Agency considered the Communist threat more serious in Honduras than in Ki Salvador. Persuant to your request we have prepared an answer to the question. It should be kept in mind, however, that our answer is merely a statement of opinion and does not curport to be a conclusion which we in fact are not authorized to draw.

- 2. Honduras appears to more vulnerable than El Salvador to the Communist threat at the present time in view of the fact that the presidential election in Honduras will take place this fall. Prior to October 1953, the GALVEZ administration allowed the Communists relatively free reign in Honduras. After that date, however, GALVEZ took more positive action, arresting several leading Communists, thereby ocusing others to flee to Guatemala. Reportedly the activity that remains in Honduras is planned and directed by the Guatemalan Communist Purty. There is also reason to believe that the Guatemalan Communist Party provides financial and material support to the Konduran Party. The extent of this aid is unknown, however.
- 3. A usually reliable source reported that Victor Manuel GUT IERREZ and other leading Quatemalan Communists expressed the general view during a conversation that while they desired the downfall of GALVEZ and the Nationalist Party, they had no sympathy for the Liberal Party of Honduras. GUTIERREZ expressed the opinion that if the GALVEZ administration were followed by a more liberal regime, it would provide the Communists with an opportunity to infiltrate the Honduran labor movement. In an attempt to achieve a more liberal government in Honduras, it is very likely that Communist activity, directed from Guatemala, will be increased during the coming election.
- 4. Results of Honduran municipal elections in the fall of 1953 tend to indicate that the three leading political parties (i.e. the CARIAS Wing of the Nationalist Party, the Reformist Wing of the Nationalist Party, and the Liberal Party) are fairly even in strength, although the CARIAS Wing of the Nationalist Party received a slight majority of votes over the others. Although GALVEZ is a member of the Reformist Wing of the Nationalist Party, it is not known if he will come out and back Reformist candidates. There have been reports and





indications that there is some Communist infiltration of the Reformist Wing, and that the latter may form a coalition with the Liberal Party in an attempt to defeat the CARIAS Wing. At this time there is no conclusive evidence on which to base a prediction of the outcome of the election. However, if the CARIAS wing is defeated, it appears that a more favorable climate will be provided for Communist infiltration and activity.

5. In regard to El Salvador, President OSORIO has followed a policy of positive action against Communists and Communist activity, and as long as he remains in power, El Salvador should not be a problem in this respect.

J. C. KING